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ATTORNEYS FOR AMICUS CITY OF COLSTRIP

## IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MONTANA BILLINGS DIVISION

PORTLAND GENERAL	) Case No. CV 21-47-BLG-SPW-KLD
ELECTRIC COMPANY;	
AVISTA CORPORATION;	
PACIFICORP; AND	
PUGET SOUND ENERGY, INC.	
Plaintiffs,	)
1 1411111111111111111111111111111111111	) DECLARATION OF
VS.	) MAYOR JOHN WILLIAMS
NORTHWESTERN	) )
CORPORATION; TALEN	)
MONTANA, LLC; AND AUSTIN	)
KNUDSEN, in his official	)
capacity as Attorney General for	)
the State of Montana,	)
one state of montaine,	)
Defendants.	)

STATE OF MONTANA	)
	) ss.
COUNTY OF ROSEBUD	)

The following Declaration is made pursuant to 28 U.S.C. § 1746. I, John Williams, as Mayor of the City of Colstrip, Montana, give this declaration based upon personal knowledge.

- 1. I am the Mayor of the City of Colstrip, Montana. I first served as Mayor from April 1999 to December 2012, and have served as Mayor again since January 2016.
- 2. I have lived in Colstrip, Montana since 1971. From July 1963 to August 1997, I worked for Montana Power Company, serving as Manager of Administration from about June 1987 through August 1997. I have extensive knowledge of the history of the City of Colstrip, both from living through much of it, and studying the remainder in my role as Mayor.
  - 3. Colstrip was originally established in the 1920s.
- 4. Mining started in 1924, and the coal was used by steam locomotive boilers on the Northern Pacific Railway. In 1958, mining operations ended after diesel engines replaced the coal-fired steam locomotives.

- 5. A year later, Montana Power Company purchased the rights to the mine and the town. Mining operations resumed in 1967 to supply the Corette power plant in Billings.
- 6. Plans to build coal-fired electrical plants in Colstrip quickly developed. Units 1 and 2 went online in 1975 and 1976, and Units 3 and 4 went online in 1984 and 1986.
- 7. Before Units 1 and 2 were shuttered at the start of 2020, the Power Plant was the second-largest coal-fired power facility west of the Mississippi River.
- 8. Together, the net generating capacity of Units 3 and 4 is 1,480 megawatts, enough to meet the electrical needs of a million homes across the Pacific Northwest and Montana.
- 9. Except for the waste-coal fired power plant project located six miles north of Colstrip (which has just 38 megawatts of generating capacity), the Colstrip Power Plant is the only coal-fired power facility consistently operating in Montana.
- 10. Colstrip incorporated in 1998. With a population of around2,300, it is the largest city in Rosebud County.
- 11. The Power Plant and neighboring Rosebud Mine where the Power Plant gets its coal employ about 550 full-time workers, making

them the primary industries in Colstrip. Nearly all the remaining employers in Colstrip – education, retail, dining, medical, government, etc. – support the families that reside in Colstrip because of the Power Plant and Mine.

- 12. Coal taxes provide tens of millions of dollars to state and local governments.
- 13. The source of Colstrip's drinking water is Castle Rock Lake.

  The lake is a 160-acre reservoir that was originally built in 1975 to supply cooling water to the Power Plant.
- 14. Water is pumped into Castle Rock Lake from the Yellowstone River by way of two pipelines. Colstrip takes its water from the lake, which is then treated at the Colstrip Water Treatment Plant.
- 15. Though manmade, Castle Rock Lake has been declared a surface water of the state of Montana. The Montana Department of Environmental Quality has issued a permit authorizing Colstrip to discharge from its Water Treatment Plant into Castle Rock Lake within the limits and criteria of the permit.
- 16. Castle Rock Lake is owned by the Power Plant, and Colstrip depends on the continued viability of the Power Plant for the operation of the water pipelines that supply Colstrip with its drinking water.

- 17. In anticipation of the eventual closure of the Power Plant, a bill was introduced in the 2021 legislative session that would have required the Power Plant owners to protect the water rights for Colstrip and ensure Colstrip could afford to maintain access and conveyance.
- 18. Castle Rock Lake has a conservation easement with Montana Fish, Wildlife & Parks ("FWP") for fishing and a recreation easement with Colstrip Park and Recreation District ("CPRD"). There are walking/biking trails around the lake, a boat ramp area, and a recreation area with shelters, picnic tables, and playground equipment. FWP regularly stocks Castle Rock Lake with bass, walleye, and catfish.
- 19. Beyond Colstrip, the Mine and Power Plant provide vital electricity to the northern plains of Montana, which regularly experience sub-zero winter temperatures.
- 20. NorthWestern currently owns a 30% share of Unit 4.

  Northwestern reports having over 700,000 customers in Montana, South

  Dakota, and Nebraska, with over 370,000 of those customers from Montana alone. Northwestern serves customers across the State, including customers in Butte, Billings, Bozeman, Missoula, Great Falls, and Helena.
- 21. For years, there have been agreements between the Power Plant and the Northern Cheyenne Tribe, and the Mine and the Northern Cheyenne

Tribe, that allow for preferential treatment of tribal members in employment opportunities. In addition, the Power Plant and Mine have long sponsored several scholarships each year that are awarded to local Native American high school graduates.

- 22. A hospital district, known as the Colstrip Medical District, was created and facilitated years ago by the Montana Power Company (as the Power Plant's operating owner) to provide medical services in Colstrip. The Colstrip Medical District levies a tax on property within the district to support the operation of the Colstrip Medical Center, which provides outpatient and emergency services. Closure of the Power Plant would result in a dramatic decrease in tax revenues for the Colstrip Medical District.
- 23. Colstrip's school system has often been recognized for quality education. The student body consists of 35% (or more) Native American population. Closure of the Power Plant would likely result in a downsizing of the school system and a loss of revenue, which would negatively impact the quality of education provided to Colstrip's students.
- 24. Colstrip's tax base also pays for water treatment and wastewater treatment facilities, law enforcement, fire protection, garbage collection, the CPRD, weed control, mosquito abatement, snow plowing, and street

maintenance. All these services are dependent for their funding on the Power Plant, the Mine, and their combined workforce.

- 25. In recent years, the Mine has provided assistance and the use of their heavy equipment to prevent the spread of coal seam fires.
- 26. In early 2020, Units 1 and 2 were shuttered prematurely the result of a different lawsuit even though they had a remaining productive life of 20-25 years. Units 3 and 4 remain operational, as does the Mine.
- 27. If either the Power Plant or the Mine were to prematurely shutter, the community of Colstrip would effectively collapse. Five hundred families would immediately be forced to leave for lack of work. The remainder of Colstrip's residents would likely follow, and what is now a vibrant and successful community would become a ghost town.

I declare under penalty of perjury under the law of the United States that the foregoing is true and correct to the best of my knowledge.

EXECUTED this 1st day of April, 2022.

John Williams, Mayor City of Colstrip, Montana